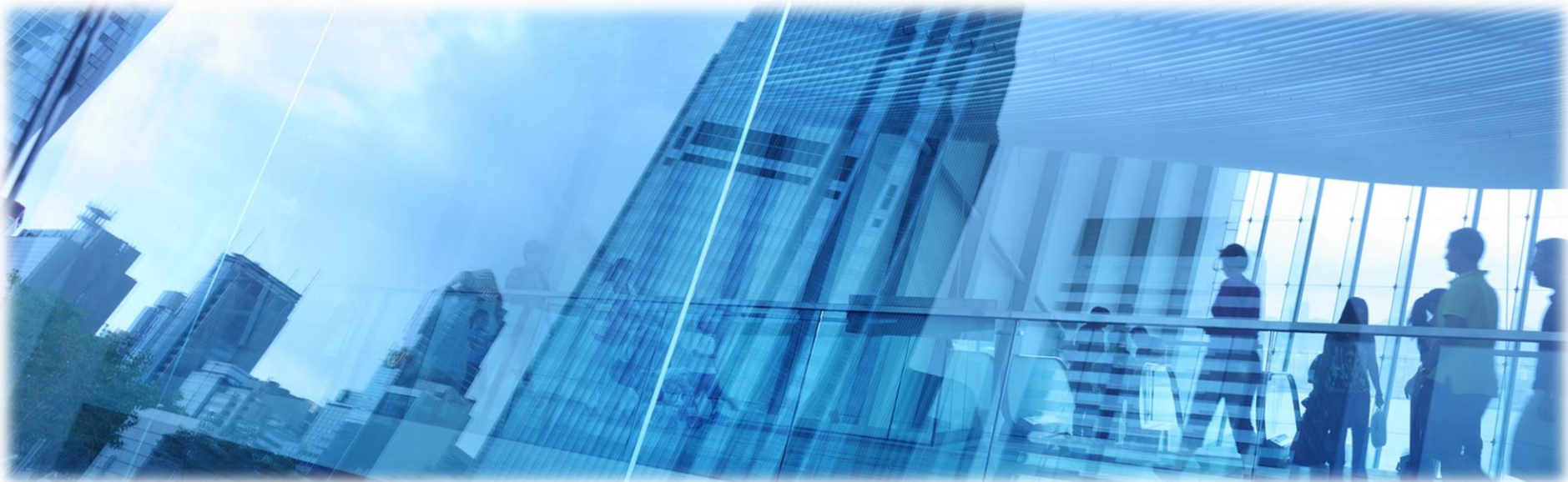


Arbitrability of IP Disputes in Russia



Natalia Gulyaeva

Partner, Head of IP, Media and Technology Practice
Hogan Lovells CIS



IP Arbitration – Pros?

When does IP arbitration make sense?

- disputes related to IP license agreements
- transfer of IP rights within complex agreements (e.g. M&A)
- disputes related to R&D agreements, etc.



IP Arbitration – Pros?

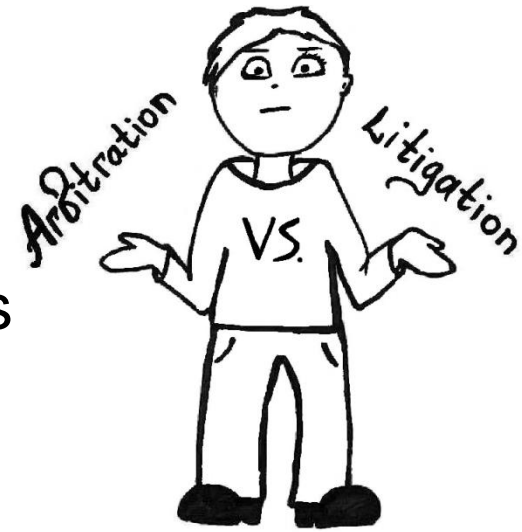
- ✓ **Confidentiality** of proceedings
- ✓ **Possibility to nominate a specialist arbitrator**
- ✓ **Possibility to choose the dispute resolution procedure**
- ✓ **Certainty** in jurisdictional issues (in case of correct wording of an arbitration clause)
- ✓ **Finality** of awards
- ✓ **Enforceability** of final awards on the basis of an international mechanism



IP Arbitration – Cons?

When is the state court preferable?

- Multiple parties
- Participation of untrustworthy parties (need of the interim measures, measures for securing evidence, etc.)
- Simple claim (cost v. benefit)
- Need for res judicata effect
- Non-arbitrability of the dispute
(exclusive jurisdiction of state courts)



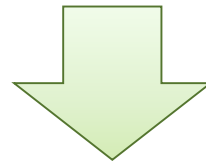
Arbitrability of IP Disputes - Russian specifics

Russian law **does not contain** detailed provisions on arbitrability or non-arbitrability of IP disputes.

Russian state commercial (“arbitrazh”) courts have exclusive jurisdiction in cases where foreign entities are involved if the dispute relates to:

- grant of patents for inventions or utility models;
- registration of trademarks,
- registration of industrial designs or
- registration of other IP rights.

Article 248 of the Russian Code of Arbitrazh Procedure



Courts approach before 2011 –
IP disputes with foreign entities are **non-arbitrable**

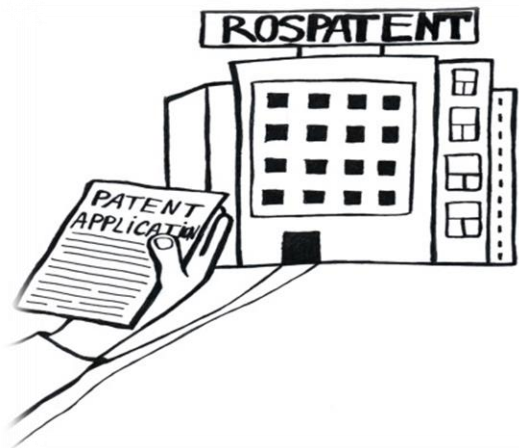
Arbitrability of IP Disputes - Russian Specifics

Courts' approach following the Ruling of the Constitutional Court No 10-P of 26.05.2011

IP disputes with foreign entities

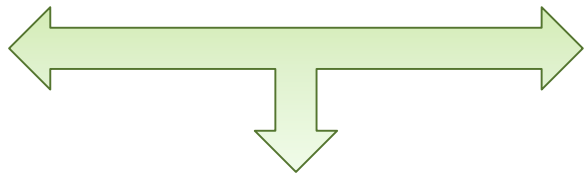
Non-arbitrable

- disputes on validity of state registration of IP objects;
- state authority is a party of the dispute (e.g. Rospatent);
- unfair competition in IP sphere



Arbitrable

- contractual nature of the dispute (e.g. relates to license agreement) +
- parties concluded an arbitration agreement.



Ambiguous situations
(e.g. registration of other IP rights)

If IP arbitration, which one? – Russian specifics

1. Institutional or *ad hoc*

2. The most popular arbitration institutions:

– London Court of International Arbitration



– International Chamber of Commerce

– Arbitration institute of the Stockholm Chamber of Commerce (SCC)



ARBITRATION INSTITUTE
OF THE STOCKHOLM CHAMBER OF COMMERCE

– WIPO

– Arbitration in Asia?

3. International Commercial Arbitration Court at the Chamber of Commerce and Industry of Russia (ICAC) - Collaboration with the Russian IP Court (agreement No. 324 of 28.10.2013)



Domain Disputes with Russian Parties

Trademark Owner **v.** Domain Name Owner

UDRP

(Uniform Domain Name Dispute Resolution Police) is an **alternative (administrative) proceeding** of dispute resolution (not an arbitration or litigation)



Court Litigation

May be initiated within 10 days after decision under UDRP.

Defendant should be a Russian entity / domiciled in Russia.

Main **UDRP providers:**

- Arbitration and Mediation Centre of World Intellectual Property Organization (Geneva, Switzerland)
- National Arbitration Forum (Minneapolis, USA)

UDRP in Russian Court Practice

DENSO

<denso.com>

3 SUISSES

<suisse.com>



<pminternational.com>

Promat

<promat.com>

Key to Success in Arbitration

- Careful selection of specialist arbitrators with relevant experience
- Balanced approach to disclosure of evidence
- Expert opinions
- Focus on potential enforcement



Contacts



Natalia Gulyaeva

Partner

Head of Intellectual Property, Media and Technology Practice

Head of Life Sciences Industry Group

T +7 495 933 3000

natalia.gulyaeva@hoganlovells.com

www.hoganlovells.com



www.hoganlovells.com

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